

110TH CONGRESS
1ST SESSION

S. 1532

AN ACT

To extend tax relief to the residents and businesses of an area with respect to which a major disaster has been declared by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (FEMA–1699–DR) by reason of severe storms and tornados beginning on May 4, 2007, and determined by the President to warrant individual or individual and public assistance from the Federal Government under such Act.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as “Kansas Disaster Tax Re-
5 lief Assistance Act”.

1 **SEC. 2. TEMPORARY TAX RELIEF FOR KIOWA COUNTY, KAN-**
 2 **SAS AND SURROUNDING AREA.**

3 The following provisions of or relating to the Internal
 4 Revenue Code of 1986 shall apply, in addition to the areas
 5 described in such provisions, to an area with respect to
 6 which a major disaster has been declared by the President
 7 under section 401 of the Robert T. Stafford Disaster Re-
 8 lief and Emergency Assistance Act (FEMA–1699–DR, as
 9 in effect on the date of the enactment of this Act) by rea-
 10 son of severe storms and tornados beginning on May 4,
 11 2007, and determined by the President to warrant indi-
 12 vidual or individual and public assistance from the Federal
 13 Government under such Act with respect to damages at-
 14 tributed to such storms and tornados:

15 (1) SUSPENSION OF CERTAIN LIMITATIONS ON
 16 PERSONAL CASUALTY LOSSES.—Section 1400S(b)(1)
 17 of the Internal Revenue Code of 1986, by sub-
 18 stituting “May 4, 2007” for “August 25, 2005”.

19 (2) EXTENSION OF REPLACEMENT PERIOD FOR
 20 NONRECOGNITION OF GAIN.—Section 405 of the
 21 Katrina Emergency Tax Relief Act of 2005, by sub-
 22 stituting “on or after May 4, 2007, by reason of the
 23 May 4, 2007, storms and tornados” for “on or after
 24 August 25, 2005, by reason of Hurricane Katrina”.

25 (3) EMPLOYEE RETENTION CREDIT FOR EM-
 26 PLOYERS AFFECTED BY MAY 4 STORMS AND TOR-

1 NADOS.—Section 1400R(a) of the Internal Revenue
2 Code of 1986—

3 (A) by substituting “May 4, 2007” for
4 “August 28, 2005” each place it appears,

5 (B) by substituting “January 1, 2008” for
6 “January 1, 2006” both places it appears, and

7 (C) only with respect to eligible employers
8 who employed an average of not more than 200
9 employees on business days during the taxable
10 year before May 4, 2007.

11 (4) SPECIAL ALLOWANCE FOR CERTAIN PROP-
12 ERTY ACQUIRED ON OR AFTER MAY 5, 2007.—Section
13 1400N(d) of such Code—

14 (A) by substituting “qualified Recovery As-
15 sistance property” for “qualified Gulf Oppor-
16 tunity Zone property” each place it appears,

17 (B) by substituting “May 5, 2007” for
18 “August 28, 2005” each place it appears,

19 (C) by substituting “December 31, 2008”
20 for “December 31, 2007” in paragraph
21 (2)(A)(v),

22 (D) by substituting “December 31, 2009”
23 for “December 31, 2008” in paragraph
24 (2)(A)(v),

1 (E) by substituting “May 4, 2007” for
 2 “August 27, 2005” in paragraph (3)(A),
 3 (F) by substituting “January 1, 2009” for
 4 “January 1, 2008” in paragraph (3)(B), and
 5 (G) determined without regard to para-
 6 graph (6) thereof.

7 (5) INCREASE IN EXPENSING UNDER SECTION
 8 179.—Section 1400N(e) of such Code, by sub-
 9 stituting “qualified section 179 Recovery Assistance
 10 property” for “qualified section 179 Gulf Oppor-
 11 tunity Zone property” each place it appears.

12 (6) EXPENSING FOR CERTAIN DEMOLITION AND
 13 CLEAN-UP COSTS.—Section 1400N(f) of such
 14 Code—

15 (A) by substituting “qualified Recovery As-
 16 sistance clean-up cost” for “qualified Gulf Op-
 17 portunity Zone clean-up cost” each place it ap-
 18 pears, and

19 (B) by substituting “beginning on May 4,
 20 2007, and ending on December 31, 2009” for
 21 “beginning on August 28, 2005, and ending on
 22 December 31, 2007” in paragraph (2) thereof.

23 (7) TREATMENT OF PUBLIC UTILITY PROPERTY
 24 DISASTER LOSSES.—Section 1400N(o) of such Code.

1 (8) TREATMENT OF NET OPERATING LOSSES
2 ATTRIBUTABLE TO STORM LOSSES.—Section
3 1400N(k) of such Code—

4 (A) by substituting “qualified Recovery As-
5 sistance loss” for “qualified Gulf Opportunity
6 Zone loss” each place it appears,

7 (B) by substituting “after May 3, 2007,
8 and before on January 1, 2010” for “after Au-
9 gust 27, 2005, and before January 1, 2008”
10 each place it appears,

11 (C) by substituting “May 4, 2007” for
12 “August 28, 2005” in paragraph (2)(B)(ii)(I)
13 thereof,

14 (D) by substituting “qualified Recovery
15 Assistance property” for “qualified Gulf Oppor-
16 tunity Zone property” in paragraph (2)(B)(iv)
17 thereof, and

18 (E) by substituting “qualified Recovery As-
19 sistance casualty loss” for “qualified Gulf Op-
20 portunity Zone casualty loss” each place it ap-
21 pears.

22 (9) TREATMENT OF REPRESENTATIONS RE-
23 GARDING INCOME ELIGIBILITY FOR PURPOSES OF
24 QUALIFIED RENTAL PROJECT REQUIREMENTS.—Sec-
25 tion 1400N(n) of such Code.

1 (10) SPECIAL RULES FOR USE OF RETIREMENT
2 FUNDS.—Section 1400Q of such Code—

3 (A) by substituting “qualified Recovery As-
4 sistance distribution” for “qualified hurricane
5 distribution” each place it appears,

6 (B) by substituting “on or after May 4,
7 2007, and before January 1, 2009” for “on or
8 after August 25, 2005, and before January 1,
9 2007” in subsection (a)(4)(A)(i),

10 (C) by substituting “qualified storm dis-
11 tribution” for “qualified Katrina distribution”
12 each place it appears,

13 (D) by substituting “after November 4,
14 2006, and before May 5, 2007” for “after Feb-
15 ruary 28, 2005, and before August 29, 2005”
16 in subsection (b)(2)(B)(ii),

17 (E) by substituting “beginning on May 4,
18 2007, and ending on November 5, 2007” for
19 “beginning on August 25, 2005, and ending on
20 February 28, 2006” in subsection (b)(3)(A),

21 (F) by substituting “qualified storm indi-
22 vidual” for “qualified Hurricane Katrina indi-
23 vidual” each place it appears,

1 (G) by substituting “December 31, 2007”
2 for “December 31, 2006” in subsection
3 (c)(2)(A),

4 (H) by substituting “beginning on June 4,
5 2007, and ending on December 31, 2007” for
6 “beginning on September 24, 2005, and ending
7 on December 31, 2006” in subsection
8 (c)(4)(A)(i),

9 (I) by substituting “May 4, 2007” for
10 “August 25, 2005” in subsection (c)(4)(A)(ii),
11 and

12 (J) by substituting “January 1, 2008” for
13 “January 1, 2007” in subsection (d)(2)(A)(ii).

Passed the Senate May 25, 2007.

Attest:

Secretary.

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